

# Media Release

**The Hon Martin Pakula MP**

Minister for Industry Support and Recovery

Minister for Trade

Minister for Business Precincts

Minister for Tourism, Sport and Major Events

Minister for Racing



Tuesday, 12 January 2021

## BACKING DEFENCE INDUSTRY JOBS FOR GEELONG AND VICTORIA

The Andrews Labor Government is backing Hanwha Defense Australia to build and maintain Australian military vehicles in Geelong, in a move that stands to create hundreds of highly-skilled local jobs.

Minister for Industry Support and Recovery Martin Pakula today signed a Memorandum of Understanding with Hanwha, a major South Korean global company, to formalise a long-term partnership which will support the establishment of Hanwha's defence manufacturing operations in Victoria.

Minister Pakula was at Laverton North to see Hanwha's LAND 400 Phase 3 vehicle, after the Commonwealth selected Hanwha as one of two final tenderers, along with Rheinmetall in Queensland.

A PWC report commissioned by Hanwha estimated that the LAND 400 Phase 3 manufacturing effort would generate \$5.7 billion in total economic impacts in Victoria.

Hanwha is also looking to build 30 Self-Propelled Howitzers and 15 armoured resupply vehicles in Geelong, and carry out maintenance and repairs during their years of service for the Australian Army, having been recently announced as the sole tenderer for the Commonwealth's LAND 8116 tender.

The MoU will enable the Government and Hanwha to explore investment opportunities in defence and non-defence sectors. The partnership will strengthen Victoria's relationship with South Korean industry, driving collaboration and creating opportunities for expanded bilateral trade and investment.

Founded in 1952, Hanwha Corporation has grown to become South Korea's largest defence company and also operates in aerospace, fintech, mining and clean energy.

Victoria's defence sector contributes \$8.4 billion annually to the state's economy with 6,300 small-to-medium businesses working across military vehicle production, maritime design, aerospace components, digital and cyber security, and munitions.

Victoria is well positioned to capitalise on the Commonwealth's forecast investment in new defence capability of \$270 billion over 10 years.

The *Victorian Budget 2020/21* allocated \$6 million to give the state's defence sector a competitive edge so it can capture a large share of Australia's biggest ever defence spend.

### Quotes attributable to Minister for Industry Support and Recovery Martin Pakula

*"Victoria is the home of Australian manufacturing and we are pleased to be working with Hanwha to maximise opportunities for more high-value jobs to be created in Geelong."*

*"The range of companies working in defence industries is staggering, and we're backing them to grow further."*

### Quotes attributable to Hanwha Defense Australia managing director Richard Cho

*"Hanwha is delighted to enter into this MoU with the Victorian Government."*

*"We see it as a strong platform from which to develop our mutual interests in a range of technologies and to establish an advanced manufacturing facility here in Victoria."*

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